

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: HEALTH CARE FINANCING ADMINISTRATION**

1. TRANSMITTAL NUMBER:

0 0 — 0 0 6

2. STATE:

Indiana

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL
SECURITY ACT (MEDICAID)TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

July 1, 2000

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

7. FEDERAL BUDGET IMPACT:

a. FFY 2000 \$ 0b. FFY 2001 \$ 0

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):

Attachment 4.19-B, page 1a

Attachment 4.19-B, page 1a

10. SUBJECT OF AMENDMENT:

Medicaid rate setting for dental services

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT☐ OTHER, AS SPECIFIED:☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:



13. TYPED NAME:

Kathleen D. Gifford

14. TITLE:

~~Asst. Secretary, Medicaid Policy & Planning~~

15. DATE SUBMITTED:

16. RETURN TO:

Kathleen D. Gifford, Asst. Sec.
Office of Medicaid Policy
and Planning
402 West Washington, Room W382
Indianapolis, IN 46204
ATTN: Tracy Brunner**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED:

9/27/00

18. DATE APPROVED:

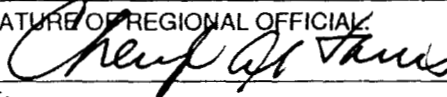
10/23/00

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

7-1-2000

20. SIGNATURE OF REGIONAL OFFICIAL:



21. TYPED NAME:

Cheryl A. Harris

22. TITLE:

Associate Regional Administrator
Division of Medicaid and Insurance Oversight

23. REMARKS:

The conversion factor was developed using Indiana Medicaid claims data from fiscal year 1992 and specific policy assumptions relative to the Indiana Medicaid program. To determine the payment rate for each procedure under the RBRVS fee schedule, the Indiana-specific RVU for each procedure is multiplied by the conversion factor according to the following calculation:

$$\text{Payment Amount} = (\text{Indiana RVU} \times \text{Indiana Medicaid Conversion Factor})$$

The Indiana Medicaid conversion factor is \$28.61.

I. B. Summary of exceptions to the RBRVS reimbursement methodology

1. For procedures where no Medicare RVU exists, the RBRVS fee schedule amount was established using RVUs from other state Medicaid programs or developed specifically for the Indiana Medicaid program. For laboratory procedures not included in the Medicare Part B fee schedule for physician services, reimbursement is based on the fee value of the national Medicare clinical laboratory fee schedule.
2. The Medicaid office developed RBRVS fee schedule amounts for certain maternity and primary care procedures to give special consideration to the importance of maternity and primary care services in the Indiana Medicaid program. The RBRVS fee schedule amounts for the following HCPCS codes were not developed using the RBRVS methodology:
 - 59000 - 59130,
 - 59136 - 59320,
 - 59350 - 59426,
 - 59500 - 59851, and
 - 99211.
3. The RBRVS fee schedule amounts for anesthesiology procedures were developed using the total base and time units for each procedure multiplied by the Indiana Medicaid conversion factor for anesthesiology, \$13.88.
4. The RBRVS fee schedule amounts for services of dentists in calendar year 1994 were developed based on fiscal year 1992 charges and the percentage difference between physician and LLP submitted charges for fiscal year 1992 and RBRVS fee schedule amounts. The Medicaid agency may set reimbursement for specific dental procedures using a different methodology in order to preserve access to the service. Effective 8/1/95, fees for covered dental services are priced at the levels in effect at the end of calendar year 1994, increased by a percentage (20%) determined by the Medicaid agency. In order to address a crisis, the agency complied with the above Plan to use a different methodology in order to preserve access to dental services by setting reimbursement rates for most dental procedures equal to 100% of the 75th percentile of the rates reported by the American Dental Association for the East North Central Region (ADA-ENC), effective May 1, 1998. The ADA-ENC-based rates may be adjusted annually for inflation, using the Consumer Price Index - Urban, Dental (CPI-UD).

TN # 00-006

Supersedes

TN # 98-013

Approval Date _____

Effective Date July 1, 2000